

Rev. 6/2021

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
DIVISION

IN RE:
AR Textiles Ltd

CHAPTER 11

CASE NO: 21-01441-5-DMW

DEBTOR(S)

☐ Check if this is an amended filing

CHAPTER 11 POST-CONFIRMATION REPORT
PURSUANT TO THE ORDER CONFIRMING PLAN

REPORTING PERIOD COVERED: Oct. 2022 - Dec. 2022

DATE PLAN CONFIRMED: 31 August 2022

EFFECTIVE DATE OF PLAN: 14 September 2022

ESTIMATED CLOSING DATE: 1 April 2023

I/We declare under penalty of perjury that the information contained in this report is true and correct to the best of my/our knowledge and belief.

DEBTOR:

JOINT DEBTOR:

Printed Name: S. Bhardwaj

Printed Name: _____

Date: 2/16/2023

Date: _____

Signature: 

Signature: _____

Title (for Corporate Debtor): Director

I have read the information in this report and the information contained herein is true and correct to the best of my knowledge and belief:

ATTORNEY FOR THE DEBTOR(S):

Printed Name: Joseph Z. Frost

Date: 2/16/2023

Signature: 

PAYMENTS TO CREDITORS

Class 1 – (Creditor(s) in this Class: **Administrative Claims and Expenses**)

(a) Date payments commence to this Class: **September 15, 2022**

(b) No payments due (if applicable): ☐ Paid in Full, ☐ Collateral Sold/Surrendered,
☐ Unsecured Creditor Treatment, ☐ No Claim Owed, ☐ Third Party Obligation

(c) Payments are ☐ Monthly, ☐ Quarterly, ☐ Bi-Annually, ☐ Annually, ☒ Other

(d) Total amount required to be paid this Quarter: **\$ 0.00**

(e) Total amount paid this Quarter: **\$ 0.00**

(f) Is the Debtor in compliance with the Plan with regards to this Class? ☒ Yes ☐ No

(g) If the Debtor has not made all required payments, please provide specific details regarding the number of payments missed and when the Debtor intends to bring the payments current:

Class 2 – (Creditor(s) in this Class: **Ad Valorem Tax Claims**)

(a) Date payments commence to this Class: **July 15, 2022**

(b) No payments due (if applicable): ☐ Paid in Full, ☐ Collateral Sold/Surrendered,
☐ Unsecured Creditor Treatment, ☐ No Claim Owed, ☐ Third Party Obligation

(c) Payments are ☐ Monthly, ☐ Quarterly, ☐ Bi-Annually, ☐ Annually, ☒ Other

(d) Total amount required to be paid this Quarter: **\$ 29,379.32**

(e) Total amount paid this Quarter: **\$ 0.00**

(f) Is the Debtor in compliance with the Plan with regards to this Class? ☐ Yes ☒ No

(g) If the Debtor has not made all required payments, please provide specific details regarding the number of payments missed and when the Debtor intends to bring the payments current:

The Debtor has appealed the ad valorem property taxes for the tax years ending December 31, 2021, and December 31, 2022, and the Debtor has sought a determination of its tax liability, owed with respect to this Class, pursuant to 11 U.S.C. 505. Upon said determination being made, the Debtor will tender payment, in full, for any tax obligations owed to this Class.

Class 3 – (Creditor(s) in this Class: **Tax Claims**)

(a) Date payments commence to this Class: September 15th 2022

(b) No payments due (if applicable): ☒ Paid in Full, ☐ Collateral Sold/Surrendered,
☐ Unsecured Creditor Treatment, ☐ No Claim Owed, ☐ Third Party Obligation

(c) Payments are ☐ Monthly, ☐ Quarterly, ☐ Bi-Annually, ☐ Annually, ☐ Other

(d) Total amount required to be paid this Quarter: _____

(e) Total amount paid this Quarter: _____

(f) Is the Debtor in compliance with the Plan with regards to this Class? ☒ Yes ☐ No

(g) If the Debtor has not made all required payments, please provide specific details regarding the number of payments missed and when the Debtor intends to bring the payments current:

Class 4 – (Creditor(s) in this Class: **AR International Holding Ltd**)

(a) Date payments commence to this Class: July 15th 2022

(b) No payments due (if applicable): ☐ Paid in Full, ☒ Collateral Sold/Surrendered,
☐ Unsecured Creditor Treatment, ☐ No Claim Owed, ☐ Third Party Obligation

(c) Payments are ☐ Monthly, ☐ Quarterly, ☐ Bi-Annually, ☐ Annually, ☒ Other

(d) Total amount required to be paid this Quarter: \$ 115,000.00

(e) Total amount paid this Quarter: \$ 115,000.00

(f) Is the Debtor in compliance with the Plan with regards to this Class? ☒ Yes ☐ No

(g) If the Debtor has not made all required payments, please provide specific details regarding the number of payments missed and when the Debtor intends to bring the payments current:

Class 5 – (Creditor(s) in this Class: Deutsche Leasing USA, Inc)

- (a) Date payments commence to this Class: July 15, 2022
- (b) No payments due (if applicable): ☒ Paid in Full, ☐ Collateral Sold/Surrendered,
☐ Unsecured Creditor Treatment, ☐ No Claim Owed, ☐ Third Party Obligation
- (c) Payments are ☐ Monthly, ☐ Quarterly, ☐ Bi-Annually, ☐ Annually, ☐ Other
- (d) Total amount required to be paid this Quarter: \$ 0.00
- (e) Total amount paid this Quarter: \$ 0.00
- (f) Is the Debtor in compliance with the Plan with regards to this Class? ☒ Yes ☐ No
- (g) If the Debtor has not made all required payments, please provide specific details regarding the number of payments missed and when the Debtor intends to bring the payments current:

Class 6 – (Creditor(s) in this Class: Edgecombe Martin County Electric Men)

- (a) Date payments commence to this Class: July 15, 2022
- (b) No payments due (if applicable): ☒ Paid in Full, ☐ Collateral Sold/Surrendered,
☐ Unsecured Creditor Treatment, ☐ No Claim Owed, ☐ Third Party Obligation
- (c) Payments are ☐ Monthly, ☐ Quarterly, ☐ Bi-Annually, ☐ Annually, ☐ Other
- (d) Total amount required to be paid this Quarter: \$ 0.00
- (e) Total amount paid this Quarter: \$ 0.00
- (f) Is the Debtor in compliance with the Plan with regards to this Class? ☒ Yes ☐ No
- (g) If the Debtor has not made all required payments, please provide specific details regarding the number of payments missed and when the Debtor intends to bring the payments current:

Class 7 – (Creditor(s) in this Class: Unexpired Leases and Executory Contra)

(a) Date payments commence to this Class: September 15 2022

(b) No payments due (if applicable): ☐ Paid in Full, ☒ Collateral Sold/Surrendered,
☐ Unsecured Creditor Treatment, ☒ No Claim Owed, ☐ Third Party Obligation

(c) Payments are ☐ Monthly, ☐ Quarterly, ☐ Bi-Annually, ☐ Annually, ☐ Other

(d) Total amount required to be paid this Quarter: \$ 0.00

(e) Total amount paid this Quarter: \$ 0.00

(f) Is the Debtor in compliance with the Plan with regards to this Class? ☒ Yes ☐ No

(g) If the Debtor has not made all required payments, please provide specific details regarding the number of payments missed and when the Debtor intends to bring the payments current:

--

Class 8 – (Creditor(s) in this Class: General Unsecured Claims)

(a) Date payments commence to this Class: September 15 ,2022

(b) No payments due (if applicable): ☒ Paid in Full, ☐ Collateral Sold/Surrendered,
☐ Unsecured Creditor Treatment, ☒ No Claim Owed, ☐ Third Party Obligation

(c) Payments are ☐ Monthly, ☐ Quarterly, ☐ Bi-Annually, ☐ Annually, ☒ Other

(d) Total amount required to be paid this Quarter: \$ 0.00

(e) Total amount paid this Quarter: \$ 0.00

(f) Is the Debtor in compliance with the Plan with regards to this Class? ☒ Yes ☐ No

(g) If the Debtor has not made all required payments, please provide specific details regarding the number of payments missed and when the Debtor intends to bring the payments current:

--

Class 9 – (Creditor(s) in this Class: **General Unsecured Claims**)

(a) Date payments commence to this Class: **September 15, 2022**

(b) No payments due (if applicable): ☒ Paid in Full, ☐ Collateral Sold/Surrendered,
☐ Unsecured Creditor Treatment, ☒ No Claim Owed, ☐ Third Party Obligation

(c) Payments are ☐ Monthly, ☐ Quarterly, ☐ Bi-Annually, ☐ Annually, ☒ Other

(d) Total amount required to be paid this Quarter: **\$ 0.00**

(e) Total amount paid this Quarter: **\$ 0.00**

(f) Is the Debtor in compliance with the Plan with regards to this Class? ☐ Yes ☐ No

(g) If the Debtor has not made all required payments, please provide specific details regarding the number of payments missed and when the Debtor intends to bring the payments current:

Class 10 – (Creditor(s) in this Class: **Equity Security Holders**)

(a) Date payments commence to this Class: **N/A**

(b) No payments due (if applicable): ☐ Paid in Full, ☐ Collateral Sold/Surrendered,
☐ Unsecured Creditor Treatment, ☒ No Claim Owed, ☐ Third Party Obligation

(c) Payments are ☐ Monthly, ☐ Quarterly, ☐ Bi-Annually, ☐ Annually, ☐ Other

(d) Total amount required to be paid this Quarter: **\$ 0.00**

(e) Total amount paid this Quarter: **\$ 0.00**

(f) Is the Debtor in compliance with the Plan with regards to this Class? ☐ Yes ☐ No

(g) If the Debtor has not made all required payments, please provide specific details regarding the number of payments missed and when the Debtor intends to bring the payments current:

PAYMENTS TO NON-CLASSIFIED CLAIMS

☐ Check if this form is not applicable to the Debtor(s)

A.) Name of Claimants: _____

(a) Date payments commence to these creditors: _____

(b) No payments due (if applicable): ☐ Paid in Full, ☐ No Claim Owed

(c) Payments are ☐ Monthly, ☐ Quarterly, ☐ Bi-Annually, ☐ Annually, ☐ Other

(d) Total amount required to be paid this Quarter: _____

(e) Total amount paid this Quarter: _____

(f) Is the Debtor in compliance with the Plan with regards to these creditors? ☐ Yes ☐ No

(g) If the Debtor has not made all required payments, please provide specific details regarding the number of payments missed and when the Debtor intends to bring the payments current:

B.) Name of Claimants: _____

(a) Date payments commence to these creditors: _____

(b) No payments due (if applicable): ☐ Paid in Full, ☐ No Claim Owed

(c) Payments are ☐ Monthly, ☐ Quarterly, ☐ Bi-Annually, ☐ Annually, ☐ Other

(d) Total amount required to be paid this Quarter: _____

(e) Total amount paid this Quarter: _____

(f) Is the Debtor in compliance with the Plan with regards to these creditors? ☐ Yes ☐ No

(g) If the Debtor has not made all required payments, please provide specific details regarding the number of payments missed and when the Debtor intends to bring the payments current:

PROPERTY SALE REPORT

(a) Does the Plan propose the sale or transfer of property? ☒ Yes ☐ No

(b) If Yes, please complete the following chart:

Description of Property	Date Property Must be Sold	Date Property Sold
Surrender/Transfer Personal Prop - AR Int'l Holding, Ltd.	10/14/2022	10/14/2022
Surrender/Transfer Real Property - AR Int'l Holding, Ltd.	12/31/2022	

(c) If the Debtor sold property during the quarter, please complete the following chart:

Description of Property Sold	Date Property Sold	Gross Sale Proceeds	Net Sale Proceeds Paid to Debtor
Laboratory Equipment and Consumables	10/17/2022	\$ 115,000.00	\$ 115,000.00

PAYMENTS TO PROFESSIONALS

Please list any and all payments made to any and all professionals (e.g., attorney, accountant, realtor, etc.) during the reporting period, not otherwise disclosed in this report.

Name of Professional	Date Payment Made	Amount Paid to Professional
Buckmiller, Boyette & Frost, PLLC		

MATTERS PENDING

What other specific matters does the Court need to resolve prior to closing the case (e.g., adversary proceedings, claim disputes, filing fee applications, etc.)? Please indicate the nature of each matter, and an estimated time frame that these matters will be resolved:

Approval of settlement and compromise reached between the Debtor, The Cincinnati Insurance Company, and John Hackney Agency, Inc., relating to the pending adversary proceeding for insurance coverage and damages associated with property damage and lost business income and expense currently pending before the Bankruptcy Court, AP No. 21-00110-5-DMW.

Anticipated that bankruptcy proceeding will be closed, and Final Decree entered, during the First Quarter of 2023.

CHAPTER 11 QUARTERLY FEES

DISBURSEMENTS INCLUDE: Sum total of all disbursements from all of the Debtor's bank accounts – **and** – payments made on behalf of the Debtor. Disbursements do not include transfers between the Debtor's accounts. Quarterly fees are not prorated.

Calculating the Fee: Use the table at the bottom of the page to compute the Amount of Fee Due for each quarter. Payment of quarterly fees should be submitted to Debtor's attorney, and then Debtor's attorney should submit the payment through www.pay.gov.

4th Quarter:

	<u>Disbursements made by Debtor</u>		<u>Disbursements made on behalf of Debtor</u>
Disbursements for October: <input type="text"/>	<u>\$136,607.38</u>	+	<u>\$0.00</u>
Disbursements for November: <input type="text"/>	<u>\$5,161.22</u>	+	<u>\$0.00</u>
Disbursements for December: <input type="text"/>	<u>\$6,003.13</u>	+	<u>\$49,277.35</u>
<u>TOTAL:</u>	<u>\$147,771.73</u>	+	<u>\$49,277.35</u>
<u>TOTAL DISBURSEMENTS:</u>	<u>\$197,049.08</u>		
<u>AMOUNT OF QUARTERLY FEE DUE:</u>	<u>\$788.20</u> *		

TOTAL QUARTERLY DISBURSEMENTS	QUARTERLY FEE
\$0.00 to \$62,624.00	\$250.00
\$62,625.00 to \$999,999.00	Quarterly disbursements multiplied by 0.004
\$1,000,000.00 to \$31,249,937.00	Quarterly disbursements multiplied by 0.008
\$31,249,938.00 or more	\$250,000.00

* The Amount of Quarterly Fee Due should be rounded to whole dollars. For amounts \$0.50 and above, round up to the next whole dollar. For amounts under \$0.50, round down.